credit of Es. 250 million, on concessionary terms. The credit agreement signed in Colombo on the 19th November, 1987.

(d) The Credit agreement is to enable the Sri Lankan Government to purchase capital goods and machinery. The nature of financial assistance for reconstruction/rehabilitation will be worked out after a visit by a team of experts from India which will make an on-the-spot assessment.

Chinese Roads along Pak Borders

1992. SHRI PARVATHANENI UPENDRA: Will the Minister of EX TERNAL AFFAIRS be pleased to state:

(a) whether the attention of Government has been drawn to a lews report published in the 'News Time' dated the 31st August, 1987 under the caption "Chinese roads along Pak Borders ready": and

(b) if so, what steps have been taken to defend the Indian borders?

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AF-FAIRS (SHRI K. NATWAR SINGH): (a) Yes, Sir.

(b) Government maintains a constant vigil on all developments having a bearing on the country's security. Government have repeatedly protested to the Governments of China and Pakistan on the construction of Karakoram Highway and the opening of the Khunjerab Pass, making very clear India's position on the question of Chinese assistance to Pakistan in construction roads in portions of Indian territory under the illegal occupation of Pakistan.

Regional isolation among sAARC Countries

1993. SHRI PARVATHANENI UPENDRA; Will the Minister of EXTERNAL AFFAIRS be pleased to state;

(a) whether there is any proposal to end the regional isolation among the South Asian Association for Regional Cooperation (SAARC) coun-tries;

(b) if so, the detailed proposals thereof;

(c) whether any new initiatives have been formulated to bring these countries closer; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI K. NATWAR SINGH): (a) There is no regional isolation of SAARC.

(b) Does not arise.

(c) and (d) Functional cooperation under SAARC is serving the purpose of bringing experts, scientists, other professionals and officials of the member countries closer together. In addition, at India's suggestion at the Bangalore Summit, five new schemes have been drawn up to promote people-to-people contacts. These are:

1. SAARC Audio Visual Exchange launched on the 2nd November, 1987.

2. SAARc Chairs, Fellowships and Scholarships, to be established starting in academic year 1988[1].

3. Organised tourism in the region with facilities for limited convertibility of national currencies to b_0 launched by the 1st July. 1988.

4. SAARC Docuimentaton Centre.

5. SAARC Youth Volunteers Programme.

Modernisation of Armed Forces

1994. SHRI PARVATHANENI UPENDRA: Will the Minister of DEFENCE be pleased to state-.

(a) what are the detailed programmes of Government regarding modernisation Of the country's armed forces, in view of the massive arms build-up in the neighbouring countries;